



## DEPARTMENT OF COMMERCE

### Submission for OMB Review; Comment Request

The Department of Commerce will submit to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act.

*Agency:* U.S. Census Bureau.

*Title:* Business and Professional Classification Report.

*OMB Control Number:* 0607-0189.

*Form Number(s):* SQ-CLASS.

*Type of Request:* Extension of a currently approved collection.

*Number of Respondents:* 57,000.

*Average Hours Per Response:* 13 minutes.

*Burden Hours:* 12,350.

*Needs and Uses:* This request is for continued clearance of the Business and Professional Classification Report (SQ-CLASS). The primary purpose of SQ-CLASS Report is to meet the ongoing sample needs of the Census Bureau's various surveys of the retail trade, wholesale trade, and services portions of the economy (our current business surveys) as defined by the North American Industry Classification System (NAICS). The data collected by the SQ-CLASS report are used to update the samples in our current business surveys to reflect newly opened establishments. Additionally, establishments in the five-year economic census will receive data collection instruments specifically tailored to their industry based on the classification

information obtained by the SQ-CLASS report.

To keep current with rapid changes in the marketplace caused by new businesses (a.k.a. births) the Census Bureau samples newly assigned Employer Identification Numbers (EINs) obtained from the Internal Revenue Service. Each EIN can only be selected once for the SQ-CLASS report. Companies are selected for the SQ-CLASS sample based on the presence of a newly filed application for an EIN. Companies in the sample are asked to provide data about the establishment(s) associated with the new EIN including a more reliable measure of size, consisting of sales in two recent months, company affiliation information, a new or more detailed industry classification code, and other key information needed to maintain proper coverage of the business universe on the Business Register for the current business surveys.

Based on information collected on the SQ-CLASS form, EINs meeting the criteria for inclusion in the Census Bureau's current business surveys may be eligible for a second phase of sampling. Companies with new EINs selected in this second sampling are asked to report annually on the annual retail, wholesale, and service surveys. A subsample of the wholesale and retail EINs also may be added to the monthly retail and wholesale surveys. Similarly, a subsample of companies with new EINs in the service industries are asked to report in the quarterly services surveys.

The Economic Census and the current business surveys represent the primary source of facts about the structure and function of the U.S. economy, providing essential information to government and the business community in making sound decisions. This information helps build the foundation for the calculation of Gross Domestic Product (GDP) and other economic

indicators. Crucial to its success are the accuracy and reliability of the Business Register, which provides the Economic Census and current business surveys with their establishment lists.

Critical to the quality of information housed in the Business Register is that each of the statistical units has an accurate industry classification, measure of size, activity status, and physical address assigned to it. The vital information obtained from the SQ-CLASS report is fed back to the Business Register to represent changes in industries and confirm coverage between the years of the Economic Census.

We are not proposing any major changes to the collection. Minimal changes are being made to the economic activity descriptions in the primary business activity question on the SQ-CLASS report. These changes include providing additional examples of activities included in a specific economic sector. Respondents will continue to choose the economic sector of their business and then select their type of business from a list of business activities based on their response to the question about their economic sector. These selections correspond to NAICS codes, which are then assigned to each business establishment. If the respondents do not see their business activity listed, then they will provide a brief description of their business activity. The response is then assigned a NAICS code by an analyst using an automated coding tool. This is the same methodology that the Census Bureau uses in the Economic Census to assign industry classification.

*Affected Public:* Business or other for-profit; not-for-profit institutions.

*Frequency:* One time.

*Respondent's Obligation:* Mandatory.

*Legal Authority:* The Census Bureau conducts this survey under the authority of Title 13, U.S.C., Sections 131, 182, and 193. This collection is made mandatory under the provisions of Title 13 U.S.C., Sections 224 and 225.

This information collection request may be viewed at *www.reginfo.gov*. Follow the instructions to view Department of Commerce collections currently under review by OMB.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to *OIRA\_Submission@omb.eop.gov* or fax to (202)395-5806.

**Sheleen Dumas,**  
Departmental Lead PRA Officer, Office of the Chief Information Officer.

**BILLING CODE: 3510-07-P.**

[FR Doc. 2018-16915 Filed: 8/7/2018 8:45 am; Publication Date: 8/8/2018]